Pensions Reduce Efforts in Vocational Rehabilitation

Most unemployed veterans want to return to work, but some are prevented by disabling mental illness and substance use disorders. When symptoms and disabilities persist, compensation programs can provide needed income. While such pension programs are clearly essential, critics claim that they have an unintended side effect of reducing the motivation to return to gainful employment. VISN I MIRECC health services researcher Dennis Drew and colleagues have confirmed this trend in a study of over 22,000 Vets who participated in the VHA Compensated Work Therapy (CWT) Program in the 1990's. This program provides paid employment and vocational training for unemployed Vets with mental illness. Compared to those not on pensions, CWT participants receiving disability pensions worked fewer hours each week, earned less income, dropped out at a higher rate and were less likely to be competitively employed at discharge. The impact was greatest for pension plans that included restrictions on allowable earned income. The researchers suggest that such restrictions may need to be lifted in order to encourage efforts at vocational rehabilitation. The research team included Charles Drebing, Alice Van Ormer, Marylee Losardo, Christopher Krebs, Walter Penk and Robert Rosenheck.